

## **INTRODUCTION**

Comprehensive Youth Services, Inc. entered into contracts #R-02-50001 (The Harbor) and # R-02-50002, (Family Youth Intervention) with the Michigan Family Independence Agency (FIA). These contracts required Comprehensive Youth Services, Inc. to provide intervention, case management, counseling, placement, community education, and prevention services for runaway youth, ages 10 to 17. Comprehensive Youth Services, Inc. was reimbursed for actual costs incurred through submission of monthly billings to FIA.

The Harbor contract totaled \$274,680 for each year of the 3-year contract. The Family Youth Intervention contract totaled \$257,804 for each year of the 3-year contract. Both contracts covered the period October 1, 2001 through September 30, 2004.

## **OBJECTIVES AND SCOPE**

The Office of Internal Audit performed an audit of Comprehensive Youth Services, Inc. to determine if the agency's billings were accurate, and if costs billed were allowable and properly supported by the accounting records and other relevant documentation, in accordance with the terms of the contracts. Our audit covered the period October 1, 2001 through December 31, 2003. Our audit was limited to an evaluation of controls and procedures, and an examination of records that were relevant to the Runaway contracts, and did not include an evaluation of controls and procedures of the entire operation of Comprehensive Youth Services. Our audit was performed in accordance with applicable professional standards issued by the Institute of Internal Auditors. Accordingly, we included tests of Comprehensive Youth Services' records and other procedures that we deemed necessary for the specific scope and objectives of this audit.

## **EXECUTIVE SUMMARY**

Based on our audit, we concluded that Comprehensive Youth Services' billings to FIA were accurate, and costs billed were allowable and properly supported. However, we found that Comprehensive Youth Services had 3 employees who each worked in two positions funded by the contract during the same time period. The hours billed for the employees working two positions did not overlap, however services to clients may be adversely impacted when employees are working excessive hours on a routine basis.

## **AGENCY RESPONSE**

The management of Comprehensive Youth Services has reviewed the finding and recommendation included in this report and indicated in a telephone conversation on June 30, 2004 that they are in general agreement with the report.

## **FINDING AND RECOMMENDATION**

### **Employees Working in Two Positions**

1. Comprehensive Youth Services, Inc./The Harbor had three employees who were working in two positions under the FIA contract. These employees also worked hours under the MSHDA, Intermediate School District and United Way Contracts. Each employee prepared a separate time sheet for each of the specific jobs they performed. We reviewed several payroll records and verified that the hours billed for under each job function did not conflict with one another. Personnel who were billed in more than one position, worked their entire shift in their own position and worked additional hours in another position. In most instances, these employees were filling in for positions that had been recently vacated, or for employees in positions where 24 hour coverage is required, and who had taken a day off. Therefore, no dollar adjustment is necessary. Client service levels may be adversely

impacted when employees frequently work additional hours to cover for another position.

WE RECOMMEND that the Children's Services Administration routinely monitor to ensure that Comprehensive Youth Services, Inc. has adequate staff to perform the services required by the contract.